



Frank H. Murkowski, Governor

Edgar Blatchford
Commissioner
PO Box 110800
Juneau, Alaska 99811-0800

NEWS RELEASE

Tina Dickinson
Communications Specialist
907-269-4568
Fax: 907-269-8125
Tina_dickinson@commerce.state.ak.us
www.commerce.state.ak.us

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City of Craig Becomes State's First Quota Entity Community **National Marine Fisheries Service approves CQE application of** **Prince of Wales Island Community Holding Corporation**

(Anchorage) – The North Pacific Fishery Management Council (NPFMC) today announced the approval of the first non-profit organization to be named officially as a Community Quota Entity (CQE), allowing the community of Craig, Alaska to purchase halibut and sablefish quota shares (QS) on the open market.

“This is a major step for our coastal fishing communities,” said Governor Murkowski. “This program will allow the residents of Craig to catch sablefish in their own waters, and provide an opportunity for new jobs in a community that has been in dire straits over the years by the outward migration of IFQs and limited entry permits.”

NOAA Fisheries' Alaska Administrator, James Balsiger, presented the CQE certificate to Dennis Watson, Mayor of Craig at their council meeting at the Anchorage Hilton Hotel. Mayor Watson accepted the certificate on behalf of the Prince of Wales Island Community Holding Company board of directors.

“Federal, state, council, municipal, and private efforts have given Craig the opportunity to bring fishing quota back into the community. That is the purpose of this new program. It looks like other communities will follow suit,” said NOAA Fisheries Administrator for the Alaska Region, James Balsiger.

“This program will help revitalize our community and provide for new entries in the QS fishery as well as increase landings for those who already hold QS,” said Dennis Watson, Mayor of Craig. “The certificate we received today represents a new beginning for our community. The CQE program will create additional employment opportunities for our residents, and help diversify fishing operations from salmon to halibut and sablefish.”

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“A great deal of credit is given to the Gulf of Alaska Coastal Communities Coalition (GOAC3), led by Executive Director Gale Vick, and Duncan Fields, the Representative to the Council’s Advisory Panel, as well as GOAC3’s board of directors. They were all instrumental in initiating the amendment to the halibut and sablefish IFQ program,” added Mayor Watson. “GOAC3 began petitioning the Council in 1999, to change the language of the existing program, and because of their diligence these 42 communities are now eligible to participate.”

NOAA Fisheries published its final ruling implementing Amendment 66 to the Fishery Management Plan (FMP) for groundfish in the Gulf of Alaska in April 2004. The Amendment established an umbrella under which 42 eligible Alaska communities could form non-profit corporations for purchasing and holding Individual Fishing Quotas (IFQs) for halibut and sablefish. These new non-profit corporations are known under federal regulation as CQEs.

The Legislature then passed SB 387, providing a funding mechanism through the Division of Investment’s Revolving Loan Program, an essential step in moving CQE forward.

“The development of Alaska’s rural economy is of great importance to the Murkowski administration, and this proves to be another milestone towards building sustainable communities,” said Commerce Commissioner Edgar Blatchford. “The opportunity is with the communities, all they have to do is seize it and remain undaunted in the face of the challenges.”

To obtain financing, a qualified CQE non-profit corporation can contact a local financial lending institution. If denied a loan from a commercial bank, the CQE can then contact Commerce’s Division of Investments to see if they qualify for terms offered through the Commercial Fishing Revolving Loan Fund at 465-2510 or obtain a loan application at <http://www.dced.state.ak.us/investments/pdf/cqe.pdf>.

Only permanent residents are eligible for leases. Restrictions apply to quota shares transferred by each CQE outside the program to ensure program goals are met. Communities participating in the program must adhere to performance standards established by the program.

Gulf communities that are eligible to participate in this program must meet the following criteria:

1. Have a population of less than 1,500 persons based on the 2000 United States Census
2. Have direct saltwater access
3. Lack direct road access to communities with a population greater than 1,500 residents
4. Have historic participation in halibut and sablefish fisheries
5. Be specifically designated on a list adopted by the North Pacific Fishery Management Council

For more information on the CQE program, visit the Department of Commerce’s web site at <http://www.commerce.state.ak.us/bsc/CDQ/cqe/cqe.htm>, or to apply to become a non-profit entity go to <http://www.fakr.noaa.gov/ram/cqp/CQEStatus.pdf>.